

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6230**

**BILL NUMBER:** SB 87

**NOTE PREPARED:** Feb 16, 2006

**BILL AMENDED:** Jan 19, 2006

**SUBJECT:** Energy, agriculture, and rural development rules.

**FIRST AUTHOR:** Sen. Jackman

**FIRST SPONSOR:** Rep. Gutwein

**BILL STATUS:** CR Adopted - 2<sup>nd</sup> House

**FUNDS AFFECTED:**     **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill allows the Office of the Lieutenant Governor to adopt rules to carry out the Office's duties relating to energy policy, the Center for Coal Technology Research, and the Recycling and Energy Development Board. The bill changes the name of the Office of Rural Affairs to the Office of Community and Rural Affairs and makes conforming changes. The bill allows the Office of Community and Rural Affairs and the Department of Agriculture to adopt rules. The bill also creates an advisory board for the Office of Community and Rural Affairs. This bill creates the Rural Economic Development Fund. The bill repeals the Rural Development Administration Fund, and the Rural Development Council Fund and transfers the balances of the funds to the Rural Economic Development Fund. The bill removes the requirement that a member of the Tourism Council represents a rural community and changes the requirement for a quorum for the Council. This bill repeals the Rural Development Council and repeals the requirement that a member of the Council is a member of the Tobacco Farmers and Rural Community Impact Fund Advisory Board.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** This bill changes the name of the Office of Rural Affairs to the Office of Community and Rural Affairs (OFCRA), and creates an advisory board for the OFCRA. The bill also repeals the Rural Development Council, and both the Rural Development Administration Fund and the Rural Development Council Fund; and shifts the money from those funds to the new Rural Economic Development Fund. These changes are not expected to net any increase in administrative costs.

**Explanation of State Revenues:** This bill:

- (1) changes the name of the Office of Rural Affairs to the Office of Community and Rural

- Affairs (OFCRA);
- (2) creates an advisory board for the OFCRA;
  - (3) repeals the Rural Development Council, and both the Rural Development Administration Fund and the Rural Development Council Fund; and
  - (4) shifts the money from those funds to the new Rural Economic Development Fund.

As of January 19, 2006, those funds had a balance of \$3.7 M and \$1.7 M. These funds do not revert to the state General Fund at the end of the fiscal year. The money in these funds was appropriated by the General Assembly from the Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3).

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Office of the Lieutenant Governor.

**Local Agencies Affected:**

**Information Sources:**

**Fiscal Analyst:** Adam Brown, 317-232-9854.